Paula Hornbeck worked for thirty years as a manager of optometrist, optician, and ophthalmologist offices in the Milwaukee area. When it came to the eyeglass business, she had seen it all (no pun intended). In fact, Paula understood so much about the eyeglass world that she often perceived opportunities for improvement that her bosses failed to notice. When she made her suggestions, however, she hit a brick wall. “I got tired of putting good ideas in front of my bosses’ noses, only to be shot down every time,” she said.

Finally, Paula decided that if she wanted to exploit her business brainstorms and reap the financial rewards, she would have to go entrepreneurial.

As it turned out, Paula had recently married, and her husband, a chemist, was supportive, promising to help her crunch numbers for the business plan. “Even when I saw big problems,” Paula said, “my husband kept saying, ‘So, why don’t you just do it anyway?’”

With her husband’s encouragement, Paula signed up for a class in writing business plans at a local college. She soon discovered there was much to learn. “The class started with fifteen people. Only two of us finished.”

When she finally wrote her business plan, Paula made it clear to investors that her store would stand out from the others. How? By selling smart, high-design eyeglasses that were unavailable from other stores in the Milwaukee area. She also told potential investors...
that her store would provide a fun experience for its clients, and that she intended to exploit the selling power of her glamorous products with a glitzy store design.

She included a number of nitty-gritty business elements in the plan: her intended location, construction fees, a thorough breakdown of rents and salaries, a budget for a designer and a contractor, and an estimate of overall costs.

Paula and her husband had a hefty amount of savings socked away, plus plenty of equity in their home. Her husband also earned a good income. They had no desire to cash in their retirement accounts, nor did they want to sell their house, borrow from friends, or take on partners. Most importantly, they wanted to maintain their lifestyle and to fully own the business themselves.

Paula’s business plan eventually convinced a local bank to lend her $200,000 secured by a personal guarantee. Paula and her husband also took $10,000 from their personal savings. This was a canny solution that covered lots of bases, but it was not without risk. A personal guarantee means that if you default on a loan the bank can seize your private assets and sell them. Paula’s house and personal savings were now at risk.

At the age of fifty-two, Paula Hornbeck opened her store, Eye Candy Eyewear, in Delafield, Wisconsin. By the third month, she had passed the break-even point. Two years later, working seven days a week, ten–twelve hours a day, she was making a good profit, and loving her business more than ever. The formula for her success was found by mixing thirty years of work experience with a supportive family, a good business plan, and the right kind of financing.